

September 29, 1994

GMP #60

Commissioner's memo #94-035

TO: District Directors  
Environmental Health Managers  
Environmental Health Supervisors  
Environmental Health Specialists

FROM: Donald R. Stern, M.D., M.P.H.  
Acting State Health Commissioner

SUBJECT: Fees for Closed-Loop Heat Pump Wells  
**Water - Permit Fees**

As you know, the Code of Virginia prescribes a \$40 fee for an application for a permit to construct a private well. Previously, the fee was \$25.

One of the original considerations for setting a fee was that only one well would be necessary for most individuals. At the time of the original bill to authorize the Department to charge a fee for an application for a permit, closed-loop ground-source heat pump wells were only beginning to be proposed. Now, closed-loop ground-source heat pump systems are becoming more popular and utility companies are promoting their use as an economic alternative for heating and cooling.

Until now, the Department's policy was that a fee was to be charged for each well being drilled. So, if a proposed heat pump system required 100 wells, a \$4,000 application fee was charged.

Several requests have been received to reduce the fee or to place a cap on the fees for closed-loop ground-source heat pump wells.

Review of the current policy by the Office of Environmental Health Services revealed that while it takes longer to evaluate a site for 40 wells as opposed to one, it does not take 40 times as much time to review the sites. Discussions with Virginia Power indicates most heat pump systems for single family dwellings require less than 10 loops. We believe that this should be the basis for fees for closed-loop ground-source heat pump wells.

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Therefore, effective immediately, fees for closed-loop ground-source heat pump well construction permits shall be based on 10 loops per permit. In other words, if an applicant applies for a permit that will require 40 loops, the application fee will be \$160. The fees will not be prorated for systems that require a number of wells that are not divisible by 10. Therefore, if a system requires 45 loops, the application fee will be \$200.

Likewise, permits for closed-loop ground-source heat pump systems will be issued for multiples of ten loops. A system of 40 loops will require four permits and a system of 45 loops will require five permits.

If you have any questions about this policy, please call Gary Hagy at (804) 786-1750.

pc: Office of Environmental Health Services Staff

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